

The Legislative Fiscal Division

Presents:

Profile of...

Library Commission

State of Montana



Agency Profile

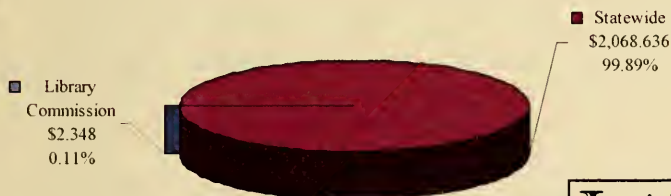
Oct. 2008

This agency profile will discuss...

- structure and funding
- primary functions and
- historical expenditures

The profile also includes information on how decisionmakers can effect change in the agency's expenditures along with a listing of pertinent statistics. For an explanation of terms used in this profile, consult the "Background on the Agency Profiles" at: <http://leg.mt.gov/css/fiscal/default.asp>

General Fund Statewide Comparison
FY 2008 (In Millions)



Let's begin by putting the agency's size in perspective by comparing it to state government as a whole.

Total Funds Statewide Comparison
FY 2008 (In Millions)



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Section E
Education



What the Agency Does

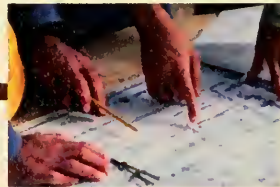


The Library Commission, authorized in Section 22-1-101, MCA, administers state and federal library funding to operate and maintain the state library, oversees the six library federations located throughout Montana, and develops statewide library long-range planning, policy, and service coordination. Located in Helena, Montana, the Montana State Library and the library commission work to provide maximum access to information services for all Montana citizens.

The Montana State Library staff and the library commission address mandated duties with FTEs and volunteers who maintain: a library of reading material for all Montanans unable to utilize printed materials; a centralized depository for natural resources information related to Montana's plant and animal species and habitat, as well as comprehensive land data; a depository system for state and federal government publications; and digital library access to Montana residents via the Internet.

Additionally, through six regional library federations (22-1-413, MCA), the state library assists all tax-supported libraries and local governments wishing to establish or improve libraries; and helps local libraries purchase expensive library services and products at volume discounts.

The state library staff also manages federal, regional, state and private funding to support the programs of the state library as well as local libraries.





How Services Are Provided

The state library provides these services with the following functions:

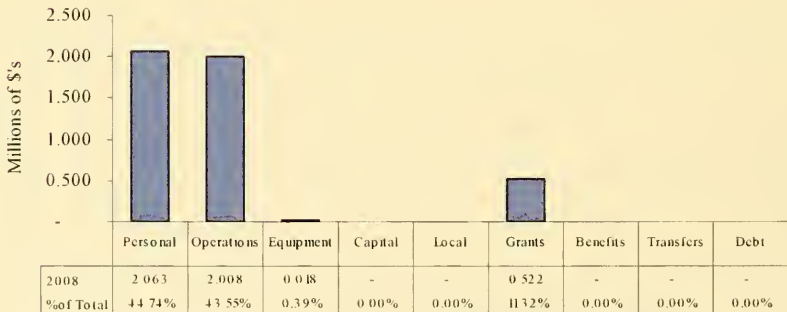
- The Montana State Digital Library provides resources to support the information needs of state agency management and staff, Montana librarians, and the public, including businesses and students. Specialized information resources include State of Montana publications, natural resource information (NRIS is the recognized point of access for GIS information), and information about the unique plants and animals of Montana. Digital library services are offered to users through resources via the Internet and through one-on-one assistance.
- Library Development Division is a consultant for all libraries in Montana.
- Montana Talking Book Library provides library services for the blind, visually impaired and physically disabled. This program serves about 3,000 people and has about 100 volunteers.
- Administration provides central management, fiscal and accounting services and federal program administration.

Personal services account for almost 44.7 percent of the library's total expenditures in FY 2008. Operating expenses are driven by the state library's services and general operations related to its collections, the talking book library, costs associated with the Montana state digital library, as well as grants and services to local libraries throughout the state, and library development and comprised 43 percent of total expenditures in FY 2008.

The library receives coal tax shared revenue to help fund general operations, the periodical database, materials and on-line books. This revenue also helps the library federations provide service to local libraries throughout the state including the cooperative purchase of services and products and continuing education classes.

Federal Library Service Technology Act grant funds can be used for staff and operations associated with State Library programs such as the Talking Book Library and the Library Development Department, for statewide projects such as the Montana Shared Catalog, and for a variety of local or regional library projects that may be selected through a competitive process.

Library Commission History All Funds FY 2008

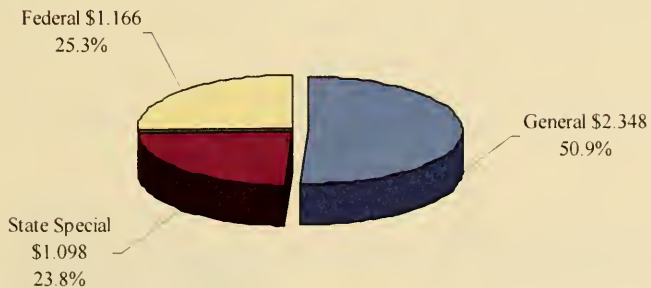




How Services Are Funded

- The general fund helps support the state library's operations, state aid to libraries throughout Montana, and the interlibrary loan reimbursement program.
- State special revenue is shown below:
 - Coal severance tax shared account provides for:
 - Support and basic services for local libraries statewide
 - State library materials, on-line books, general operations, and the periodical database

**Library Commission Funding by Source
FY 2008 (In Millions)**

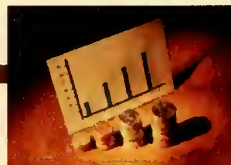


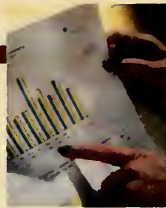


- Resource Indemnity Trust (RIT) Renewable resources, and reclamation and development grants fund:
 - Natural Heritage Program
 - NRIS
 - Water information system
- Contracts from various state departments (Fish Wildlife and Parks, Transportation, Natural Resources and Conservation, University System, and Environmental Quality help fund work done by NRIS, and the Natural Heritage and Water Information Programs
- Earnings from the Montana State Library Trust are used to provide enhancements to library services over and above normal operating services

Federal special revenue is discussed below:

- Library Services and Technology Act grants provide grants to Montana libraries and supports state library personal services and operations.
- A wide range of federal grants that come in amounts under \$50,000 per year are used for state library services and projects related to the Natural Heritage program, NRIS, and the water information system



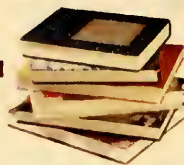


Related Data & Statistics

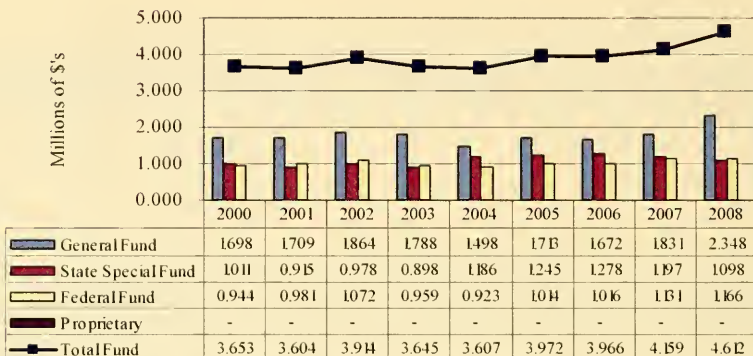
<i>Element</i>	<i>2000</i>	<i>2008</i>	<i>Significance of Data</i>
Library Development Outreach Services to Montana Libraries	11,558	7,380	Indicates increased efficiency through use of internet and web services for online meetings, blogs, in addition to on-site library, telephone, and e-mail
Talking Book Library Circulation	145,384	130,117	Reflects emergence of, and access to books on cassette and DVD at stores, local libraries, etc.
Statewide Online Reference Database	7,637	2,759,875	Indicates increasing use of online services and increased workload to maintain the services
Digital Library Additional Web Services Usage	608,525	1,124,120	Increased workload and pressure on digital library's equipment



Expenditure History



Library Commission Funding History



Reasons for Expenditure Growth/Change

- General Fund – the average growth rate for general fund expenditures was 4.1 percent for the period of 2000 through 2008. This area provides funding for most of the activities of the agency including some matching funds for federal grants for county libraries when available. The legislature increased general fund support by \$365,000 in FY 2008 for the Geographic Information System and the Natural Resource Information System (NRIS).
- State Special Fund – the expenditures funded by state special funds grew by 1 percent for the period of 2000 through 2008. The expenditures in this area are driven by NRIS activities.
- Federal Special Fund – the expenditures funded by federal funds vary year to year depending upon grant awards. Federal support from Library Services and Technology Act grants have increased 49.9 percent between FY 2003 and FY 2008. Federal funds supporting NRIS have declined 66.9 percent over the same period.

Agency Functions, State Purposes, & Customers Served

The agency is structured to perform certain functions in support of general state government purposes.

The following lists the major functions, purpose of provision of the functions, and primary customers served.

State Purposes	Major Agency Functions	Customers
<i>Develop the full educational potential of the state's citizens</i>	Library services and standards; and support of local libraries throughout Montana	Montana state libraries and citizens
	State government library services	State government
	Montana State Digital Library; Natural Resource Information System (NRIS) and the Library and Information Service Department (LISD)	State government, Montana librarians, and citizens.
	Montana Talking Books for visually impaired and physically disabled	Visually impaired and physically disabled Montanans



How the Legislature Can Effect Change

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following elements that drive costs.

In order to change expenditure levels and/or activity, the legislature might address laws:

- Governing the authority of the state library commission
- Impacting the library staff such as consultation with and support of local libraries; applying for, accepting and expending grant funds; and providing library services for the blind or individuals with physical disabilities

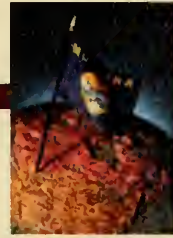


- Relating to the code of standards for Montana public libraries, standards and certification for librarians.
- Governing the existence, definition and location of the state library, its collections and services, and equal access to information.
- Relating to the Montana state library trust
- Governing the location and operation of the Natural heritage program, and its relationship with principal data source agencies (the department of natural resources and conservation; the department of fish, wildlife and parks; the department of environmental quality; the department of agriculture; the department of transportation; the state historical society; and the Montana university system)
- Governing the natural resource information system (NRIS) and the water information system

The legislature is less likely to control:

- Federal legislation impacting libraries
- Initiatives or legislation responding to citizen action
- Citizen expectations of web-access libraries
- The amount of information generated, print or media, on a state, regional, or federal level that is to be maintained by the Montana state library
- The number of citizens needing state library services





Statewide Factors With Impact

In addition to the factors above, a number of factors common to many agencies will also impact changes in expenditures over time.

The Montana State Library equals people providing service; personal service costs are the primary factors that drive expenditures. These factors include the state pay plan and benefits, workers' compensation, and unemployment insurance.

Other factors driving expenses include utilities and transportation costs, changes in statewide fixed costs such as inflation/deflation, and the cost to maintain buildings and technology.



Statutory References

The primary statutory references defining duties and responsibilities of the department are found at the following locations.

22-1-101 through 415, MCA – Montana State Library commission authorities; Montana state library trust

90-15-101 through 305, MCA – Natural Resource Information System; Natural Heritage Program; Interagency cooperation; Water information system



Alternative accessible formats of this document will be provided upon request. For further information, call the Legislative Fiscal Division @ 444-2986 or visit our web site @ <http://www.leg.mt.gov/css/fiscal>



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